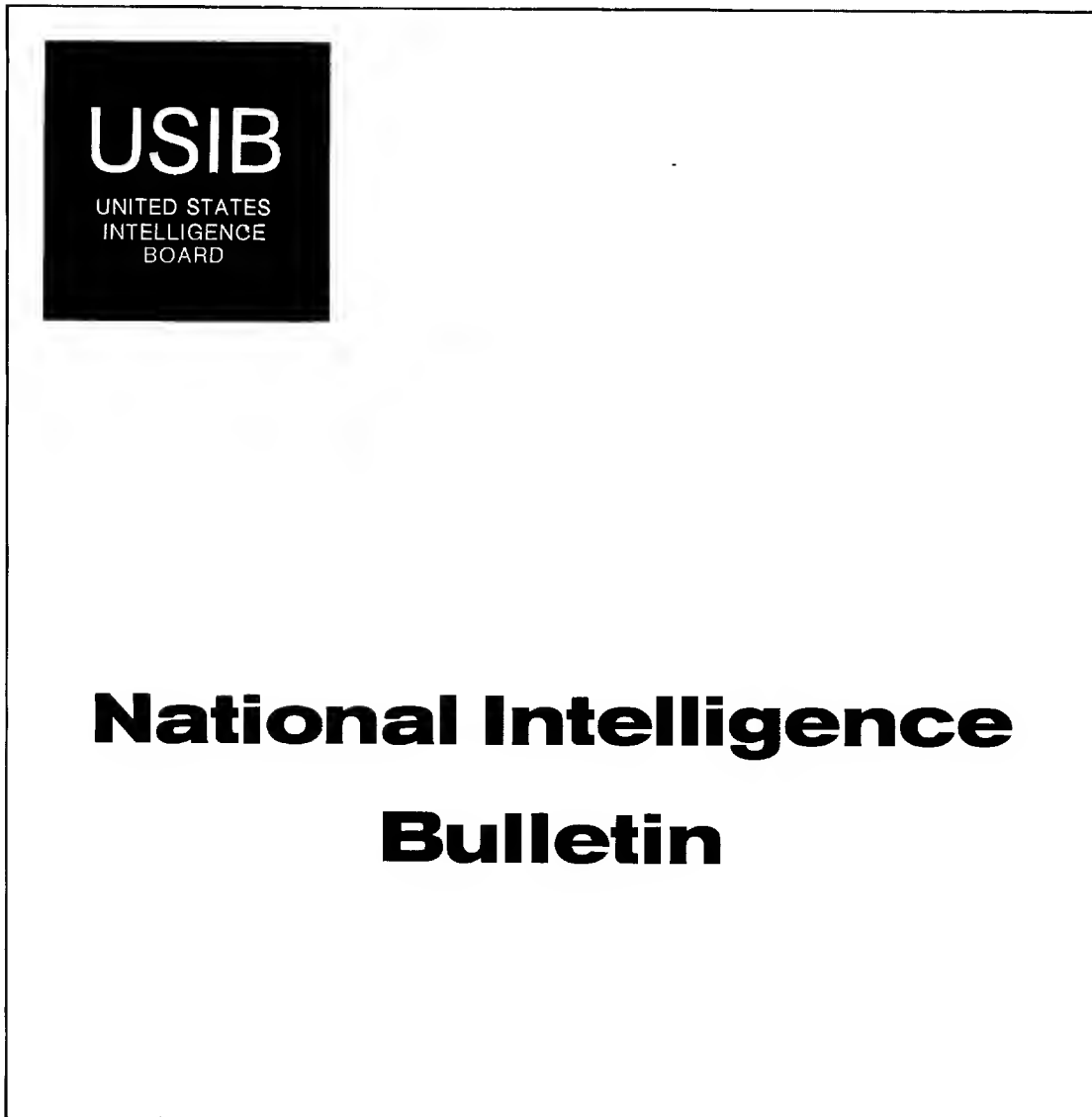


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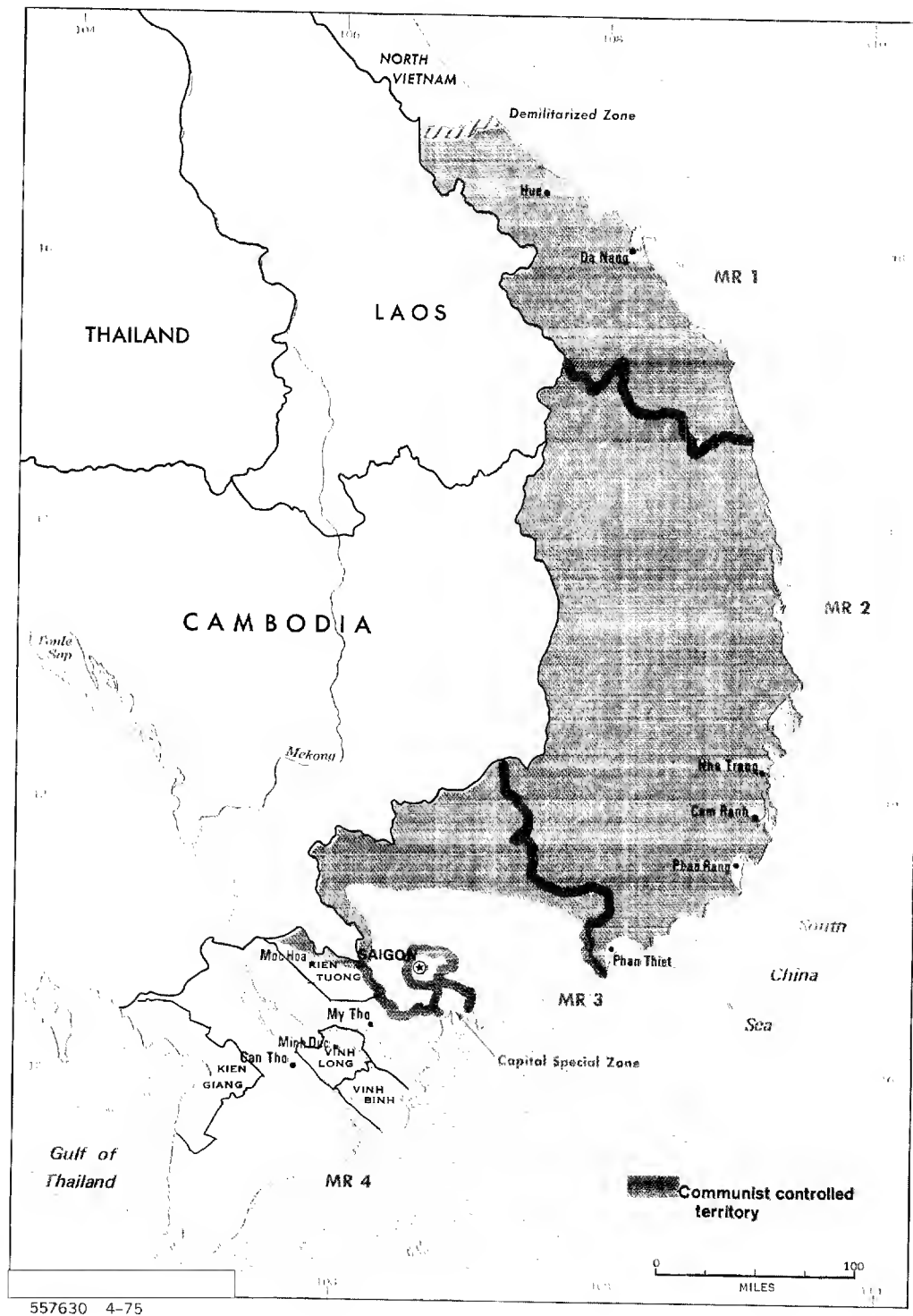
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SOUTH VIETNAM

In his major address yesterday, President Thieu did not sound like a man who intends to leave office soon.

Thieu blamed almost everyone but himself for the government's recent debacles. He was especially critical of the US, charging that his decision to abandon territory in the north and in the highlands had been forced on him by loss of US support. He also blamed undisciplined military commanders, panicky civilians, and Viet Cong infiltrators among the refugees for the recent defeats.

Thieu maintained that he would never agree to a coalition government with the communists, but that the government he asked lower house leader Nguyen Ba Can to form yesterday would be willing to resume talks in Paris called for by the cease-fire agreement. The President appealed to the people to rally behind the new government and promised to mete out stiff punishment for those army commanders who had abandoned their posts. He warned that additional communist attacks can be expected soon and that the government must be prepared to defend its remaining territory.

Thieu's speech followed the arrest yesterday of several more individuals charged with coup plotting. The only one of any prominence was Nguyen Van Ngan, Thieu's former political adviser and organizer. Ngan is believed to have been associated with efforts by Senate president Tran Van Lam and General Nguyen Cao Ky to force Thieu from office.

The arrests were quickly announced over Saigon radio, probably as a warning to those who might entertain similar ideas.

* * * *

There has been little fighting in the provinces near Saigon, but communist military action continues to

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increase in the delta. For the first time in several years, the communists fired rockets into Can Tho City. Sharp fighting erupted in nearby Vinh Long Province early yesterday and communist units penetrated the defenses of Minh Duc district town.

Communist sappers destroyed a 200-foot bridge, closing the road to Vinh Binh Province. A 200-round mortar barrage preceded the attack and caused heavy civilian casualties in the market next to the bridge. The communists also cut the road northeast of the capital of Kien Giang Province yesterday.

Government officials in the delta are increasingly concerned about the threat to Can Tho City and less confident that their forces will be able to contain communist attacks. They suspect that morale is unsteady and fear that if any one of their seven regular battalions facing the North Vietnamese 4th Division should break, panic could set in and the entire city defense would collapse within hours.

The regional commander is taking steps to build up morale and instill confidence. He is moving his army units close to the territorial forces to strengthen the joint defense of the city, and yesterday relieved a regimental commander for lack of aggressiveness.

In addition to the current threats to Can Tho and My Tho cities, regional commanders are also anticipating a major attack against Moc Hoa, the capital of Kien Tuong Province. Three regiments of the North Vietnamese 5th Division may be in place to attack the city, and government officials are expecting an imminent attack. Elements of the South Vietnamese 9th Division, supported by armor, are defending Moc Hoa.

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Regional officials feel that the government forces defending Moc Hoa will hold, but quickly point out that

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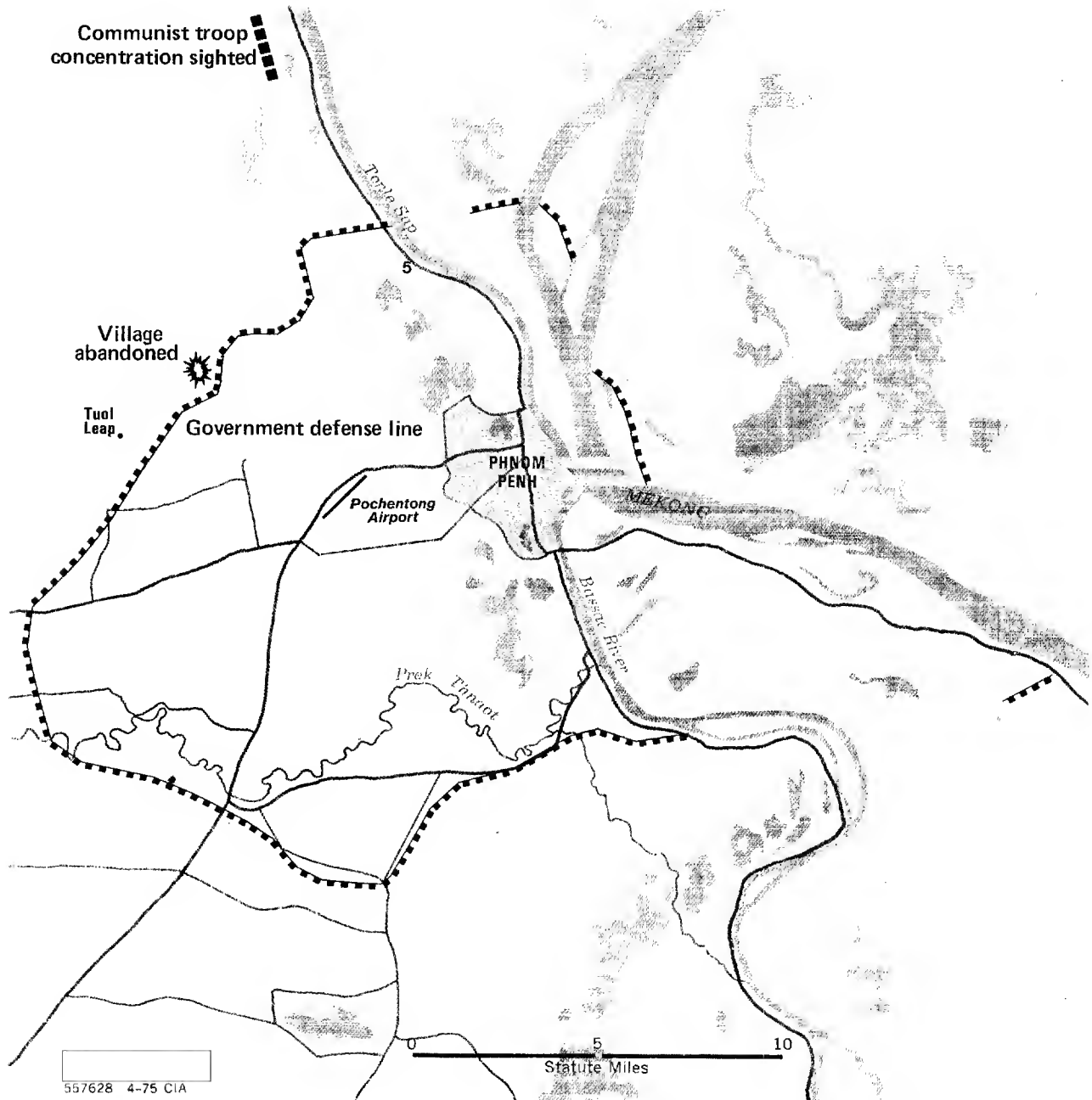
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if they do not, the 9th Division could become ineffective as a fighting unit. A defeat of this division could seriously undermine the confidence of other government units in the delta.

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Phnom Penh



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CAMBODIA

Government troops yesterday abandoned a village four miles northwest of Pochentong Airport, giving the communists another foothold within easy rocket and artillery range of the airport. Elsewhere along the northwestern defenses, however, government units repulsed insurgent efforts to push closer to the city.

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Ambassador Dean called on acting president Saukham Koy yesterday and found him deeply concerned about recent developments in the northwestern provincial capital of Battambang--Cambodia's second largest city. Communist forces have been closing in on Battambang for the past few weeks, and Koy reported that students there have issued a resolution calling for the surrender of the city and the return of Prince Sihanouk. If Battambang does in fact surrender, Koy fears that government forces in other areas of the country would rapidly follow suit.

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Koy also said that Lon Nol had delayed his departure too long and that it was impossible to reverse the current trend of events. In response to Ambassador Dean's questions about possible contingency plans, Koy said that if a "solution" is not found soon, remaining leaders in Phnom Penh may have to flee the country. Prime Minister Long Boret and Foreign Minister Keuky Lim are planning to return to Phnom Penh over the weekend, but their arrival will probably do little to boost government morale.

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USSR

The Soviets continue to take the line that Hanoi's successful operations in South Vietnam are justifiable as retaliation for Saigon's violation of the peace accord. Moscow's purpose is to mitigate any possible backlash, particularly as it might affect Soviet-US relations.

In a recent conversation [redacted] Y. Kuznetsov, the deputy chief of the Southeast Asia division of the Soviet Ministry of Foreign Affairs, argued that recent events were more the result of a South Vietnamese collapse than of a major North Vietnamese offensive. Kuznetsov avoided criticizing the US role in Indochina, and told [redacted] that Moscow still wanted a negotiated settlement and would welcome any US initiative.

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Kuznetsov acknowledged that Moscow backed the communists' position on negotiations, including the necessity for President Thieu's removal. He claimed that Moscow still favored a political rather than a military solution in South Vietnam, but he gave no indication that Moscow was making such an argument in Hanoi.

The Soviets are also still talking about negotiations in Cambodia, although they clearly view them as nothing more than a means to provide an orderly transfer of power. Kuznetsov conceded that Moscow recognizes that Sihanouk will probably play some role in Phnom Penh after a communist victory. He belittled Sihanouk's importance over the long term, however, and repeated longstanding Soviet complaints of Sihanouk's unreliability.

[redacted]

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GREECE

The Greek government has informed our embassy in Athens that it is lodging a strong protest in Ankara against the unauthorized Turkish overflights of Greek islands on Thursday.

The protest may go beyond an earlier Greek warning to the Turks that said that in the event of further overflights Athens would take "all legitimate measures" allowed under international law. The Greeks are considering including in the demarche a warning that Greek aircraft will intercept Turkish aircraft if there are any further incidents. Athens will accompany its protest in Ankara with a series of parallel demarches in a number of other capitals.

The head of the Greek air force has told the US embassy that he is giving serious consideration to Greek reconnaissance flights over the western Turkish coast if "provocations continue." The general's view, which is shared by other military contacts of the embassy, is that the Greek army has no intention of accepting in the Aegean what it acquiesced to on Cyprus.

The Turks, meanwhile, continue to deny any violations of Greek airspace. The press in Ankara announced yesterday that the Turkish air force will continue its flights in international airspace over the Aegean. It said Athens would be responsible for the "serious consequences" if it attacked Turkish aircraft.

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PORTUGAL

In the Portuguese government's clearest statement to date on the US base in the Azores, Prime Minister Goncalves told an Arab interviewer that Portugal will not permit the base to be used against the Arab countries. He also seemed to hedge for the first time on Portugal's continued participation in NATO.

In an interview with a Beirut magazine, which has been replayed in the Portuguese media, Goncalves stated that Portugal would never adopt a hostile attitude toward the Arab people and would never consent to such an attitude being adopted "from or through our territory." He probably emphasized this issue for his Arab audience, but his statement was the most explicit and authoritative yet made by the Portuguese leadership on this subject. Goncalves' remarks also serve to highlight the Third-World approach to foreign policy that is expected to get increasing play under newly appointed Foreign Minister Melo Antunes.

On Portugal's commitment to NATO, Goncalves reiterated the standard line of respecting treaty obligations, but added a qualifying phrase that NATO membership could not be imposed on the Portuguese people. The people are to make the decision through a parliament, which Goncalves said would be elected soon.

Up to this time, Portuguese leaders have confined themselves to unqualified assurances that Portugal would continue to adhere to its NATO commitments. Lately, however, there has been some irritation [redacted] over NATO's attitude toward Portuguese policies and Portugal's exclusion from the NATO Nuclear Planning Group.

Press reports indicate, meanwhile, that several political parties yesterday refused to endorse the guidelines for a transitional constitution presented two days ago by the Armed Forces Movement. A military spokesman said the responses of the 12 political parties showed wide differences of opinion and made unacceptable suggestions. Movement leader Rosa Coutinho said, however, he was confident the differences would be ironed

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out in negotiations and that most of the parties would probably sign the agreement next week. He made it clear that the Movement will not consider any substantial modification of its proposals.

The military guidelines provide that:

--A civilian assembly will be popularly elected, although essential power will rest in the 28-man, all-military Revolutionary Council. Most of the assembly's legislation must be approved by the Revolutionary Council; that not requiring the Council's approval can be promulgated only after a two-thirds vote of the assembly.

--The president will be chosen by an electoral college composed of the 240-man Armed Forces Assembly and the civilian legislative assembly.

--The armed forces will approve candidates for prime minister and the posts of minister of defense, economy, and internal administration.

--Portugal is "irreversibly committed to the road which will lead it to Portuguese Socialism."

Members of the Popular Democratic Party claim they are supported by the Socialists, the center-right Social Democratic Center, and the small center-left Popular Monarchist Party in protesting the restrictions on a future legislative assembly. One extreme left-wing group has also refused to sign.

If the parties do not eventually agree with the proposals, they risk being criticized as opponents of the Movement's reforms. But if they sign the document--which the US embassy calls "a constitution with only the details left out"--they will have agreed to virtual military domination of Portuguese politics for the next three to five years.

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National Intelligence Bulletin April 5, 1975**ETHIOPIA**

The government's military position in Eritrea Province has improved in recent weeks as fighting has dropped off sharply from the high level that prevailed in February. The overextended army and police, however, are encountering new security problems elsewhere in the country.

Government forces now control Asmara and as much of the countryside as they choose to occupy in force at any given time. Army operations have denied the

rebels sanctuaries and food supplies near Asmara, the provincial capital. The government is now able to bring in basic necessities, such as food and fuel, by military convoys, but industrial and commercial activities have not yet recovered because of supply problems and the exodus of foreigners in February.

The rebels continue to enjoy overwhelming popular support and remain a formidable guerrilla force. They mine roads, stage ambushes, and engage government troops in firefights on all the routes connecting Asmara with other important points. The government has not disputed the rebels' control of much of the western part of the province.

Last month, the Ethiopian army commander in Eritrea privately estimated guerrilla strength at between 5,000 and 7,000 men. The Defense Intelligence Agency believes rebel strength may be as high as 10,000. The Ethiopian commander also credited the two main rebel factions with improved ability to coordinate operations, partly because of their recent acquisition of communications equipment.

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Some defections from the government side continue to occur.

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Meanwhile, much smaller groups of armed insurgents are active in several other provinces. At least some of these groups are probably gaining strength as a result of opposition to the ruling military council's land-reform program. Late last month, insurgents in eastern Begemdir Province fought a battle with army troops in which 60 insurgents were killed.

In Gojjam Province--another area of traditional opposition to the central government--insurgents are also in the field, some led by local notables. On April 1-2, one group of armed dissidents surrounded and inflicted heavy casualties on a paramilitary police company. If the Gojjam insurgents pick up strength--and they may as the government begins to implement the land-reform policy--they could pose a threat to one of Ethiopia's major north-south roads.

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RHODESIA

Rhodesian Prime Minister Smith announced late yesterday that Ndabaningi Sithole is being permitted to attend the meeting of African foreign ministers next week in Tanzania. Sithole is to accompany other members of the African National Council who will speak at a special meeting of the Organization of African Unity on the policies of OAU members toward South Africa and Rhodesia.

Sithole was freed after ten years of detention last December following Smith's truce with the Rhodesian insurgents, but was rearrested a month ago. On Wednesday, a special tribunal in Salisbury upheld his latest detention without trial. Smith then arrested three additional members of Sithole's faction in the African National Council, leading even moderate council members to say they would not negotiate with Smith unless Sithole was released.

Smith's decision to release Sithole temporarily was apparently prompted by South African Prime Minister Vorster, whose foreign minister visited Salisbury on Thursday. Vorster and the African leaders have kept the pressure on both sides to maintain the truce and get on with negotiations. Both Vorster and African mediators have wanted to resolve the latest impasse before the foreign ministers' meeting, where they fear a move to censure the African countries that have been dealing with Vorster on the Rhodesian problem.

Zambian President Kaunda is especially vulnerable to the accusation, raised at Addis Ababa in February, that the African leaders who are cooperating with Vorster on the Rhodesia problem are sacrificing African interests. A week before Sithole's detention was confirmed, Kaunda had rounded up many Zambian-based insurgent leaders who had been involved in bloody inter-tribal feuding. Now, Rhodesian hardliners, and some of their foreign sympathizers, are accusing Kaunda of weakening the Rhodesians' capability for resuming guerrilla warfare--the ultimate recourse if Smith remains adamant.

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Although Sithole has been released under pressure from South Africa, Smith may believe that Sithole will ask the foreign ministers to back a renewal of guerrilla warfare and that this will give him a reason to put the nationalist leader back in jail. Smith may hope that such a performance would convince Vorster, or other South African politicians, that Sithole's continued detention is justified.

If Sithole fails to return to Rhodesia, Smith would be relieved of the conflicting pressure he feels--from Vorster, who has urged him to release Sithole or to give him an open trial, and from right-wing Rhodesian politicians who oppose yielding to South African pressures.

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FOR THE RECORD

Honduras: The reform-minded younger officers who forced Chief of State Lopez to relinquish command of the armed forces on March 31 are moving to assume control of the government. They have removed all but two of the country's colonels from command positions. Although few have been given cabinet posts, most have been retired or assigned to posts abroad. The reformists seem to believe that a modernized military with effective leadership is best suited to resolve the country's extensive problems. They want to eliminate corruption and move the country forward, rather than change its ideological orientation. Lopez, having lost control of the military, apparently realizes that he cannot buck the strong tide now rising against him and soon may have to step down as chief executive. There are signs, however, that some of the deposed officers may attempt to resist the changes.

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ANNEX**Assessment of the Military Situation and
Prospects for South Vietnam**

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South Vietnam's military fortunes continue to decline. The Republic of Vietnam Armed Forces (RVNAF) have relinquished well over half the country, lost nearly half of their regular combat forces, and suffered extremely heavy equipment and supply losses. The military leadership is demoralized, and the morale and discipline of remaining government forces are open to serious question. Taking all factors into account, the only question over the defeat of the Republic of Vietnam is timing--whether it will collapse or be militarily overwhelmed in a period of weeks or months.

The Current Situation

The North Vietnamese have recognized South Vietnam's vulnerability and appear determined to take rapid advantage of it.

At present, there are eight well-equipped and well-supplied NVA infantry divisions in Military Regions (MR) 3 and 4 and an additional ten divisions farther north in South Vietnam. Moreover, Hanoi is committing the bulk of its remaining reserve forces to South Vietnam. The communists could deploy a decisive force to the battle area in about a month, if a crash move were ordered. Their logistic capabilities are sufficient to support such forces.

The GVN has seven infantry divisions, rangers, territorial forces, and the remnants of three divisions extracted from the north. Additional combat units will be formed from the GVN forces evacuated from MRs 1 and 2, but their combat effectiveness, except perhaps for the

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Marines, will be doubtful. Some territorial forces are now being integrated into regular ARVN units. Finally, the GVN still retains a sizable air force.

We now see two general communist courses of military action.

--The application of massive force to inflict final defeat.

--Envelop Saigon, cut off its supplies, and thereby bring the GVN to its knees.

The communists would have two options within the first course of action. In one, the NVA could choose to exploit to the maximum their current military momentum and RVNAF weaknesses. This would involve the rapid, albeit piecemeal, reinforcement of MR 3 and continuous large-scale attacks beginning at any time. This would entail risks for the communists because it would not confront the GVN with overwhelming force at the outset. Moreover, communist losses might be high, thereby weakening their military punch.

As a second option, the communists could delay an assault on the capital for a month or so, while consolidating their gains in the northern half of the country, deploying additional infantry divisions south, and preparing the battlefield. This would give the GVN time to rally its forces and population and to reconstitute some of the units evacuated from the north. With their backs to the wall, many RVNAF units would fight well. South Vietnamese confidence would be bolstered by accelerated US assistance and by evidence that the US will send more. Correspondingly, the deterioration and ultimate collapse of the GVN would be accelerated by a negative response on the part of the US.

Considering Hanoi's ability to mass greatly superior forces, however, we believe that under either of these options, the GVN would collapse or be defeated by the end of June, if not considerably sooner.

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The other major course open to the communists would be to envelop Saigon with augmented forces, cut off its supplies, and simultaneously attrite defending forces. The recent movement of elements of two NVA divisions from Tay Ninh Province to the northern delta is in line with such a strategy. At present, these units and others already in MR 4 are threatening major cities and the important rice distribution route from the delta to Saigon. This would add to the already formidable pressures on the city. We believe that this limited course of action might alone be successful so that the GVN would fall by the end of June.

Hanoi recognizes that political and military factors will continue to interact. Governmental changes in Saigon, GVN military performance, and the evolving state of public and RVNAF morale will condition its final planning. The fact that there is little room for retreat may stiffen the resolve of Saigon's forces. Nonetheless, a sudden psychological unraveling along the lines that occurred in the northern half of the country is distinctly possible. In such an event, a communist victory would follow in short order.

In this regard, Hanoi probably hopes that a combination of the above factors will make unnecessary a final direct assault on Saigon. This would spare the communists the problems of feeding and housing the population of a city destroyed by a pitched battle. And it would minimize damage to vital facilities and resources which Hanoi would prefer to capture intact. These interests seem reflected by recent communist propaganda and by the ten-point policy toward "liberated areas" broadcast by the communists on April 3. Although primarily designed to bring order and stability to newly conquered regions as fast as possible, these pronouncements were probably also designed to increase pressures in Saigon for a "negotiated" settlement and to hasten the political crumbling that is already in train. Furthermore, the political advantages gained by South Vietnam's collapse without a major battle for Saigon would be substantial.

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In sum, Hanoi is in good position to take whatever action it considers necessary to win the war. While a quick, decisive military stroke may be in the works, we believe that Hanoi will opt for a less costly and politically more expedient alternative, calculating that a South Vietnamese collapse from within is near at hand. At the same time, however, communist units will position themselves for a final attack should their preferred course fail. Whatever the case, South Vietnam's fate appears to be sealed. Taking all factors into account, the only question is timing--whether weeks or months.

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